

5.0 CONCLUSIONS

5.1 MANAGERIAL IMPLICATIONS

Interviews with the Dot Com companies in Malaysia do reveal some interesting findings as mentioned in the last section. A combination of the interview's findings with the data been collected through desk research provides the following managerial implications to the study.

5.1.1 Influencing factors of online advertising

Internet usage is on the rise, and thus online advertising is gaining increasing popularity. Judging from the results of the various surveys, advertisers may consider online promotions as a supporting medium to the traditional medias. Both of the online and offline play an important role in achieving different results. The limitation of offline promotions such as the interactivity, difficulty in targeting audience, immeasurable results, limited content to be covered, etc. can be complement by the online promotions. However, limited Internet penetration in Malaysia can be a hurdle to the online advertising. Before making advertising and promotion decisions, managers need to address the following issues:-

- 1) Nature of the market (for instance, the geographic concentration of the customers, the demographic characteristics of the customers)
- 2) Nature of the product
- 3) The stage of the product in the product life-cycle (for instance, whether the product or service has moved into the growth or maturity stages)
- 4) The pricing
- 5) Promotion budget

Only by answering these questions, one can decide on the promotion mix should the firm pursue.

5.1.2 Factors to be considered in making effective online promotion decision

After considering the results to be achieved by advertising online, marketers will be able to assess various online promotion techniques to have an optimum combination in the mix. As online promotions having high potential in creating

brand awareness as well as the contribution toward sales, marketers should further explore the possibilities such as using value-based concept.

5.1.3 Banner advertising as an effective advertising tool

Banner advertising is generally be accepted as an effective tool in gaining brand awareness, however, owing to the fast burnout rate, advertisers may need to come out with different banners from time to time. Creativity does play an important role in banner advertising to attract the attention of the visitors.

On the other hand, as visitors may get immune to the banners, marketers should be able to overcome the "blind spot" issue of the banner advertising. Effective animated banners can be one of the solutions.

As banner advertising is an awareness building technique, but not a good direct marketing tool, advertisers should recognize its constraint in the direct contribution to the sales revenues.

5.1.4 Banner Exchange as an effective online advertising mix

Banner exchange is generally adopted among affiliate partners. It can only serves as an effective online promotion mix with the following issues being tackled:

- 1) Prepare to allocate human resource to monitor the presence of the ad on other's sites as well as developing the creative banners.
- 2) Evaluation software could be considered as a means of measurement of the effectiveness of the exchange program.
- 3) To have the right targeting by choosing the right sites to exchange the banners with.
- 4) Banners to be placed at the prominent area of the sites.
- 5) More beneficial for the newly-start-up business.
- 6) Besides targeting, popularity of a site is another criteria of selection for the partners in the exchange program.

The following table 5.1 shows the summary of the objectives, findings and the managerial implications.

Table 5.1

Objectives	Findings	Managerial implications
Influencing factors of online advertising / strengths and weaknesses over offline promotions	<i>Interactive characteristics</i> <ul style="list-style-type: none">the ability to customise individualised information, process feed backs, provide customer service or even have transactions.	<ul style="list-style-type: none">Advertisers may consider online promotions as a supporting medium to the traditional medias.Before making advertising and promotion decisions, managers need to address the following issues:-<ol style="list-style-type: none">Nature of the marketNature of the productThe stage of the product in the product life-cycleThe pricingPromotion budget
	<i>Lower cost of distribution</i> <ul style="list-style-type: none">web users are active in the communication process, thus the costs of distribution is lower from the advertisers' point of view.	
	<i>Affluent & well-educated target audience</i> <ul style="list-style-type: none">well-defined target group	
	<i>Secondary advertising medium to offline promotions</i> <ul style="list-style-type: none">online advertising is at the infancy stage	
	<i>Online creativity should be kept consistent with offline representation</i> <ul style="list-style-type: none">to maintain a consistent image for online and offline presence	

Objectives	Findings	Managerial implications
Influencing factors of online advertising / strengths and weaknesses over offline promotions	<i>Measurable results</i> <ul style="list-style-type: none"> • easy to monitor results 	
	<i>Gaining equal acceptance as the traditional media</i> <ul style="list-style-type: none"> • consumer's acceptance is comparable to offline promotions 	
	<i>Accessibility</i> <ul style="list-style-type: none"> • no geographical boundary • yet, the Internet penetration level is not encouraging in the Malaysia at the moment 	
	<i>Richer content</i> <ul style="list-style-type: none"> • much information can be covered 	
	<i>No loyalty for online users, surf from one site to another</i>	

Objectives	Findings	Managerial implications
Influencing factors of online advertising / strengths and weaknesses over offline promotions	<p><i>Targeting</i></p> <ul style="list-style-type: none"> • specific and able to target the audience • however, not easy to get user's profile 	<ul style="list-style-type: none"> • Marketers will be able to access various online promotion techniques to have an optimum combination in the mix. • Marketers should further explore various possibilities in retaining the visitors.
	Creating <i>brand awareness</i>	
	Delivering <i>advertisement awareness</i>	
	<i>Potential for sales</i>	
	A combination of click-through, cost effectiveness and statistics comparison among the industry to <i>measure the effectiveness</i>	
	Able to address <i>audience fit, product fit and general benefits</i> to the company	
Factors to be considered in making effective online promotion decision	<i>Value-based concept and customized reward</i>	
	<ul style="list-style-type: none"> • providing incentives to retain the users 	

Objectives	Findings	Managerial implications
Factors to be considered in making effective online promotion decision	<p><i>Nature of the audience</i></p> <ul style="list-style-type: none"> the inherent interest of the products, or brand to the audience appears to drive click-through 	
Banner Advertising as an effective advertising tool	<p><i>Gaining advertisement awareness</i></p> <ul style="list-style-type: none"> the engaged state of the users partly explains this advantage merely banner exposure was also proven to achieve the advertisement awareness 	<ul style="list-style-type: none"> Advertisers may need to come out with different creative banners from time to time. Marketers should be able to overcome the "blind spot" issue of the banner advertising. Effective animated banners can be one of the solutions. Advertisers should recognize its constraint in the direct contribution to the sales revenues.
	<p><i>Generating brand awareness</i></p> <ul style="list-style-type: none"> however, it's better for those who have already had a brand, than those who are trying to develop one 	
	<p><i>Banner advertisement can be accepted for keeping sites free</i></p> <ul style="list-style-type: none"> banner advertisement though is annoying to some users, it is better than pay to view a site 	

Objectives	Findings	Managerial implications
Banner Advertising as an effective advertising tool	<i>Cost effectiveness</i>	
	<ul style="list-style-type: none"> • it's more cost effective compared to TV and print advertisements 	
	<ul style="list-style-type: none"> • some web marketers reckon that it is expensive and ineffective 	
	44% consumers <i>interested in learning more about the products after seeing a banner</i>	
	<i>Not a good direct marketing tool</i>	
	<i>Generating product interest</i>	
	<ul style="list-style-type: none"> • about half of the consumers interested in knowing more about a product after seeing a banner ad than before 	
	Visitors may get immune to the banners, " <i>blind spot</i> " area.	
	<i>Faster burnout rate</i>	
	<ul style="list-style-type: none"> • people go back to the same page on the web more than other media 	

Objectives	Findings	Managerial implications
Banner exchange as an effective online advertising mix	<i>Monetarily costless</i>	<p>The following issues need to be tackled for successful implementation of Banner Exchange program.</p> <ul style="list-style-type: none"> • Prepare to allocate human resource to monitor the presence of the ad on other's sites as well as developing the creative banners. • Evaluation software could be considered as a means of measurement • To have the right targeting by choosing the right sites to exchange the banners with. • Banners to be placed at the prominent area of the sites. • Popularity of a site is another criteria of selection for the exchange partners.
	<i>Bigger exposure</i>	
	<i>Creating brand awareness</i>	
	<i>Lost of control, not able to monitor</i>	
	<i>Good advertising tool for newly start-up business, not for the established sites</i>	
	<i>Creativity of the banners affect the click-through</i>	
	<i>Choosing the right sites to be exchanged</i>	

5.2 SUGGESTIONS FOR ADDITIONAL RESEARCH

Owing to the time and fund constraints in this study, survey for a bigger sample size is not able to implement. Additional research involves an in-depth study of the topic could be executed by involving a larger sample size. Besides Dot Com companies, other industries could also be given due considerations in this topic of the study. In reaching the above purpose, quantitative methodology is suggested for considerations.

5.3 IMPLICATIONS

During the down turn of the economy, businesses are urgently looking into solutions of how to reduce costs and adjust to a rapidly declining business environment. Though the necessary solutions will naturally vary across different industries and across different businesses, one thing is certain – marketing executives will face increased scrutiny over the allocation of every marketing dollar spent. As world events alter business conditions and the Internet usage continues to grow rapidly throughout the world, may this study serves as a reference to the marketing executives in making promotion decisions.